Introduced by Assembly Member Feuer

January 17, 2008

An act to add and repeal Section 87 of the Streets and Highways Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1815, as introduced, Feuer. California Transportation Infrastructure Funding Task Force.

Existing law provides various sources of revenue to fund state highway and local road maintenance, operation, and improvement, including a state-imposed per-gallon fuel tax of 18 cents.

This bill would create, until January 1, 2010, the California Transportation Infrastructure Funding Task Force, with 14 members appointed by the Legislature, Governor, California Transportation Commission, city and county organizations, and other specified entities. The bill would require the task force to hold at least 3 public hearings around the state and to report to the Legislature and Governor by January 1, 2010, on alternatives to the current system of taxing road users through per-gallon fuel taxes. The bill would make legislative findings and declarations in that regard.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the 2 following:

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(a) An efficient transportation system is critical for California's economy and quality of life.

- (b) Per-gallon taxes on gasoline and diesel fuel and truck weight fees are the dominant sources of funding for highway system maintenance and expansion.
- (c) The revenues currently available for state highways and local roads are inadequate to preserve and maintain existing infrastructure and to provide funds for improvements that would reduce congestion and improve mobility.
- (d) State transit programs, including the State Transit Assistance program that funds local transit services, as well as the state's own intercity rail program, are directly dependent on the Public Transportation Account, which derives revenues from sales taxes on gasoline and diesel fuel. The revenues available for these programs are also inadequate to preserve and maintain existing transit infrastructure and to sustain current levels of transit operations that both reduce congestion and serve the nonmotoring public.
- (e) Increased vehicle fuel efficiency provides valuable energy conservation and environmental benefits. However, per-gallon fuel taxes will steadily generate less revenue as vehicles become more fuel efficient and alternative sources of fuel are identified. Declining revenues per vehicle mile traveled, coupled with inflation and increasing construction costs, causes this revenue source to fall short of meeting the state's transportation revenue needs.
- (f) Between 1994, when fuel taxes were last adjusted, and 2006, travel on the state highway system increased by 27 percent, from 144.2 billion to 183.4 billion vehicle miles traveled. Similarly, travel on the local street and road system over the same period increased by 12 percent, from 127.6 billion to 143 billion vehicle miles traveled. Collectively, both the state and local systems support nearly 20 percent more traffic today than just 12 years ago.
- (g) Thus, the trend is not favorable and, over time, the per-gallon fuel tax will become a less effective mechanism for meeting California's long-term transportation needs.
- (h) It is therefore appropriate to convene a task force to consider and make recommendations concerning alternatives to the current system of taxing highway users through per-gallon fuel taxes.

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1 SEC. 2. Section 87 is added to the Streets and Highways Code, 2 to read:

- 87. (a) There is hereby created the California Transportation Infrastructure Funding Task Force, which shall consist of 14 members, as follows:
 - (1) Two members appointed by the Senate Committee on Rules.
 - (2) Two members appointed by the Speaker of the Assembly.
 - (3) Two members appointed by the Governor.

- (4) Three members appointed by the California Transportation Commission. In making appointments under this paragraph, the commission shall consider individuals who are representative of highway users' groups, including transit providers, the California transportation research community, and national transportation research and transportation policy bodies.
 - (5) One member appointed by the League of California Cities.
- (6) One member appointed by the California State Association of Counties.
 - (7) One member appointed by the California Transit Association.
- (8) One representative from the California State Automobile Association, on behalf of the motoring public.
- (9) One representative from the Automobile Club of Southern California, on behalf of the motoring public.
- (b) The California Transportation Infrastructure Funding Task Force shall conduct at least three public hearings on alternative road user funding mechanisms. One hearing each shall be conducted in southern California, the central valley, and northern California.
- (c) The California Transportation Infrastructure Funding Task Force shall submit a report to the Legislature and Governor by January 1, 2010, with recommendations on alternatives to the current system of taxing road users through per-gallon fuel taxes.
- (d) Appointees to the California Transportation Infrastructure Funding Task Force shall receive no salary or compensation other than reimbursement of actual and necessary expenses for attendance at meetings and hearings.
- (e) Strict conflict-of-interest provisions shall be applicable for each appointed member of the California Transportation Infrastructure Funding Task Force and the appointed members shall reflect the ethnic, cultural, and geographic diversity of this state.

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- (f) The department shall provide any staffing needed for the California Transportation Infrastructure Funding Task Force from 3 existing transportation resources made available to the department for transportation planning purposes.
- (g) This section shall remain in effect only until January 1, 2010, 5 and as of that date is repealed, unless a later enacted statute, that 6 is enacted before January 1, 2010, deletes or extends that date.